

EXHIBIT E

OBJECTION DEADLINE: February 5, 2016 at 5:00 p.m. (Eastern Time)
HEARING DATE AND TIME: February 17, 2016, at 2:00 p.m. (Eastern Time)

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**UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK**

In re

MOTOR LIQUIDATION COMPANY, et al.
f/k/a General Motors Corp., et al.

Debtors

Chapter 11

Case No.: 09-50026 (MG)

**DECLARATION OF ANDRÉ E. JARDINI IN SUPPORT OF REPLY
TO MOTION OF GENERAL MOTORS LLC PURSUANT TO 11
U.S.C. §§ 105 AND 363 TO ENFORCE THE BANKRUPTCY
COURT'S JULY 5, 2009 SALE ORDER AND INJUNCTION**

DECLARATION OF ANDRÉ E. JARDINI

I, André E. Jardini, declare as follows:

1. I am an attorney licensed to practice law in the State of Court, and all of the federal courts in the State of California, and a member of the law firm of KNAPP, PETERSEN & CLARKE. I am counsel of record for 40 individual plaintiffs, who have filed a putative class action in the case of *Pilgrim*, et al., v. General Motors, LLC, case no. CV 15-8047-JF (Ex) (the “*Pilgrim* action”), pending in the United States District for the Central District of California.

2. The *Pilgrim* case alleges numerous claims against New GM arising from a defect in the LS7 and 427 engines on Corvette Z06 vehicles.

3. I have applied to the Court for admission Pro Hac Vice for purposes of objecting to New GM’s Motion to Enforce this Court’s Sale Order and Injunction, on behalf of my clients.

4. I have conducted numerous interviews with the plaintiffs in the *Pilgrim* action and other owners of Corvette Z06 vehicles manufactured by General Motors (both “Old GM” and “New GM”).

5. I have investigated the pervasive complaints and evidence as to the significant engine defect in Corvette Z06 vehicles.

6. The result of my interviews and investigation has demonstrated that:

a. There is a serious endemic defect in the Corvette Z06 LS7 and 427 engines which is demonstrated by excessive valve guide clearance, leading to excessive valve wear and, ultimately, to catastrophic engine failure.

b. Old GM, at a time before the Sale Order in this bankruptcy knew of this engine defect and took certain limited, though ineffective, steps to repair some Corvette Z06 engines, if a customer complained.

c. That no Corvette Z06 owner received actual notice of these bankruptcy proceedings.

d. That several recalls of Corvette Z06 models from 2007 to 2009 have been made by New GM at a time after the conclusion of the bankruptcy proceedings by the Sale Order in July of 2009.

7. On February 19, 2008, GM issued a directive to GM dealerships (PIP4132B) which recognizes the engine failure issues in Corvette Z06 automobiles. A true and correct copy of this directive is attached as Exhibit 1.

8. Under the heading "Condition/Concern" the directive states: "This is to announce a temporary program for the 2007 and 2008 Corvette Z06 with major engine failures.

Under certain conditions, certain models of the Corvette Z06 with major engine failures would receive an engine exchange."

9. On August 8, 2008, GM issued a directive to GM dealerships (PIP4132C) which also recognizes engine failure issues with Corvette Z06 automobiles. This directive concerned 2009 Corvette Z06 LS7 engines. A true and correct of this directive is attached as Exhibit 2.

10. Under the section of the directive entitled
“Conditions/Concerns” it is stated:

“This is to announce a temporary program for 2009 Z06 and
ZR1 Corvettes in the USA with major engine failures.”

11. As with the 2007 and 2008 Corvette Z06 models, this directive
allowed engine replacement under certain conditions.

12. Of the 40 named plaintiffs in the *Pilgrim* action, 13 of these
Corvette Z06 owners have suffered a catastrophic engine failure in their
vehicle.¹

13. On two occasions, New GM has issued post-bankruptcy recalls
on Corvette Z06 vehicles. NHTSA records show that recalls were issued
concerning a wiring issue on high beam lights and concerning roof panels.

14. On a number of occasions, the catastrophic failure of a Corvette
Z06 LS7 engine has been captured on videotape.

a. A video of a catastrophic engine failure resulting in a fire
when oil emitted by the failure caught fire is available at:
<https://www.youtube.com/watch?v=ZLT7DjnKvnY>.

b. Another engine failure at the moment it happened from
video within the cab of the Corvette Z06 may be viewed at:
<https://www.youtube.com/watch?v=TM4MdCix-KI>.

15. Applicable Court procedures and orders in the *Pilgrim* case are
such that, to date, no discovery has been permitted.

¹ Shawn Bain, Adam Balducci, Ahmed J. Cannon, Jan Engwis, Robert Geiss, Kaleb Isley,
Frank Juzswik (prior owner), Jeff Millslagle, Chad Reese, Mark Rowe (prior owner),
Derek Van Den Top, and Dallas Wicker.

- a. The *Pilgrim* complaint was filed on October 14, 2015.
- b. On November 12, 2015, pursuant to stipulation, the *Pilgrim* Court ordered that GM would have until December 14, 2015 to respond to the complaint.
- c. On December 1, 2015, pursuant to stipulation, the *Pilgrim* Court ordered that Plaintiffs could file an amended complaint (to comport with this Court's Decisions) and that GM would have until February 3, 2016 to respond to the amended complaint.
- d. On January 19, 2016, GM filed this Motion to Enforce the Sale Order and Injunction.
- e. On January 25, 2016, the *Pilgrim* Court, pursuant to stipulation, ordered that the *Pilgrim* case be stayed, pending proceedings in this Court.
- f. As a result of the foregoing events, the *Pilgrim* Plaintiffs have never had an opportunity to conduct discovery as to GM.

16. Based on my investigation to date, it is my belief that basic discovery will further reveal that GM knew before the Sale Order in July of 2009 of the engine defect in Corvette Z06 vehicles, and the danger that defect presented to Corvette Z06 owners.

17. I also believe based on later recalls (for other defects) of Corvette Z06 vehicles that Old GM knew the identity and addresses of Corvette Z06 owners before the Sale Order was entered.

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18. I am informed and believe and therefore attest that no actual notice to any Corvette Z06 owner concerning the defect here alleged was given by Old GM.

Executed on this 5th day of February, 2016, at Glendale, California.

I declare under penalty of perjury that the foregoing is true and correct.



André E. Jardini

Exhibit 1

Document ID: 2067130

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Document ID: 2067130

#PIP4132B: Chevrolet Corvette LS7 Engine Repairs Or Replacements - keywords 7.0L block cool coolant head knock leak filter noise oil piston push replace rod spring tick valve Z06 - (Feb 19, 2008)

Subject: Chevrolet Corvette LS7 Engine Repairs or Replacements

Models: 2007-2008 Chevrolet Z06 Corvette
Equipped with the 7.0L engine RPO code LS7



This PI was updated to advise dealers the LS7 Bowling Green engine exchange has been reopened. Please discard PIP4132A.

The following diagnosis might be helpful if the vehicle exhibits the symptom(s) described in this PI.

Condition/Concern:

This is to announce a temporary program for the 2007 and 2008 Corvette Z06 with major engine failures.

In the past this engine has been on restriction and it was being exchanged as a complete assembly.

Recommendation/Instructions:

In an effort to gain product knowledge quicker Chevrolet is introducing a new program if a major engine failure occurs. Chevrolet would like to provide the opportunity for the customer to allow their Corvette Z06 to be picked up by special carrier and returned to the Bowling Green Assembly plant to have the engine exchanged.

If the customer agrees, General Motors will arrange to have a complete engine sent directly to the assembly plant. A specialized repair crew will exchange the engine, complete a diagnostic review, ensure the all codes are cleared and run the vehicle through the final assembly check. Once completed, the vehicle will be returned to the dealership on the first available carrier. Bowling Green Assembly anticipates the entire process should be completed in approximately 10 working days.

The process will include:

1. Technician to verify an engine exchange is required. The Technician should follow the proper oil checking procedure and record the amount of oil that is in the engine. If the engine is not able to be started and properly warmed the technician should not add or drain any oil. If the oil level was changed the technician should accurately record the amount of oil that was in

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- the engine prior to adding and the amount that was added.
2. Contact the PQC (866-654-7654) to discuss an engine exchange.
3. In order to participate in this program the owner must agree to have the engine replaced at Bowling Green Assembly
4. A check sheet and authorization will be FAXED to the dealership to be reviewed and signed by the customer and the authorized dealership personnel.
5. The dealership's authorized personal and owner will remove all personal articles from the vehicle before shipment.

Including but limited to: licenses plates, all CD/DVDs including navigation disc, sun glasses and garage or gate openers.

6. The dealership will remove the front lower fascia air dam.
7. A transport will be dispatched to pick up the vehicle at the dealership. In most cases this will occur within 5 days.

The transport will require assistance in loading the vehicle. In most cases it will be required to push the vehicle on to the carrier.

8. The engine will be replaced with a new (not rebuilt) LS7.
9. The engine number can not be transferred, A new engine number will be stamped and a letter will be included from Bowling Green Assembly stating the plant exchanged the engine and it will provide the old and new engine number.
10. Once the repair is completed, the vehicle will be tested, audited, and then it will be shipped back to the dealership on the next available carrier.
11. The owner and dealership's authorized personnel will inspect the car, sign the completed form and FAX a copy of the receipt to the number indicated on the form.
12. Dealership will submit a claim for \$1,000 to cover time and expense for diagnosis, inspection, and parts mark up

Submit under labor operation J1899 with \$1,000 in new items.

13. Towing, rental car expense, or associated charges should be added to operation J1899 as we

Should you have any questions please contact Art Spong, Brand Quality Manager for Corvette at 586-947-8890

Note: This PI does not include the Z06 corvette's located in Canada, repair these vehicles as necessary.

Please follow this diagnostic or repair process thoroughly and complete each step. If the condition exhibited is resolved without completing every step, the remaining steps do not need to be performed.

GM publishes the intended for use by professional technicians, NOT a "do-it-yourselfer". They are written to inform these technicians of conditions that may occur on some vehicles, or to provide information that could assist in the proper service of a vehicle. Properly trained technicians have the equipment, tools, safety instructions, and know-how to do a job properly and safely. If a condition is described, DO NOT assume that the bullet applies to your vehicle, or that your vehicle will have this condition. See your GM dealer for information on whether your vehicle may benefit from the information.



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Exhibit 2

Document ID: 2178419

#PIP4132C: 2009 Corvette LS7 and LS9 Engine Replacement Information - block coolant engine exchange head knock leak lifter noise oil piston push pqc - (Aug 8, 2008)

Subject: 2009 Corvette LS7 and LS9 Engine Replacement Information

Models: 2009 Chevrolet Corvette
with a 6.2L (RPO LS9) or 7.0L (RPO LS7) Engine
in the United States of America



This PI was superseded to remove 2007-2008 Corvette Z06. Please discard PIP4132C.

The following diagnosis might be helpful if the vehicle exhibits the symptom(s) described in this PI.

Condition/Concern:

This is to announce a temporary program for 2009 Z06 and ZR1 Corvettes in the U.S.A. with major engine failures. In an effort to gain product knowledge quicker, Chevrolet would like to provide the opportunity for the customer to allow their Z06 or ZR1 Corvette to be picked up by special carrier and returned to the Bowling Green Assembly Plant to have the engine exchanged.

If the customer agrees, General Motors will arrange to have a complete engine sent directly to the assembly plant. A specialized repair crew will exchange the engine, complete a diagnostic review, ensure all of the codes are cleared, and run the vehicle through the final assembly check. Once completed, the vehicle will be returned to the dealership on the first available carrier. Bowling Green Assembly anticipates the entire process should be completed in approximately 10 working days.

Recommendation/Instructions:

If engine replacement is necessary, please review the opportunity above with the customer to see whether they would like to have your dealership replace their engine, or at Bowling Green Assembly Plant.

If a Z06 customer would prefer to have your dealership replace their Z06 engine, follow the latest version of 02-07-30-029 and contact PQC before ordering the replacement engine from your parts department. If a ZR1 customer would prefer to have your dealership replace their ZR1 engine, follow the latest version of 08-06-01-014 and contact PQC the PQC and they will order the replacement engine for you as necessary.

If a Z06 or ZR1 customer would prefer to have Bowling Green Assembly Plant replace their Z06 or ZR1 engine, follow the steps below:

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- 1) The technician should follow the proper oil level inspection procedure and record the amount of oil that is in the engine. If the engine is not able to be started and properly warmed the technician should not add or drain any oil. If the oil level was changed, the technician should accurately record the amount of oil that was in the engine and the amount of oil that was added.
- 2) Contact the PQC (**866-654-7654**) and advise them that the customer would like to have Bowling Green Assembly Plant replace their engine as described in this PI.
- 3) In order to participate in this program, the owner must agree to have the engine replaced at Bowling Green Assembly.
- 4) A check sheet and authorization will be FAXED to the dealership to be reviewed and signed by the customer and the authorized dealership personnel.
- 5) The dealership's authorized personal and Corvette owner must remove all personal articles from the vehicle before shipment. This includes, but is not limited to, licenses plates, all CD/DVDs, navigation DVDs, sun glasses, and garage/gate openers.
- 6) The dealership must remove the front lower fascia air dam.
- 7) A transport carrier will be dispatched to pick up the vehicle at the dealership. In most cases, this will occur within 5 days. The transport will require assistance in loading the vehicle. In most cases, it will be required to push the vehicle on to the carrier.
- 8) The engine will be replaced with a new engine.
- 9) The engine unit number can not be transferred from the old engine to the new engine. A new engine unit number will be stamped on the new engine and a letter will be included from Bowling Green Assembly that includes the old and new engine unit numbers and documents that they exchanged the engine.
- 10) Once the repair is complete, the vehicle will be tested, audited, and shipped back to the dealership on the next available carrier.
- 11) The Corvette owner and dealership's authorized personnel will inspect the car, sign the completed form, and FAX a copy of receipt to the FAX number on the form.
- 12) The dealership will submit a claim for \$1,000 to cover time and expense for diagnosis, inspection, and parts mark up. Submit under labor operation J1899 with \$1,000 in new items.
- 13) Towing, rental car expense, or associated charges should be added to labor operation J1899 as well.

Should you have any questions, please contact Art Spong, Brand Quality Manager for Corvette at **586-947-8890**

Please follow this diagnostic or repair process thoroughly and complete each step. If the condition exhibited is resolved without completing every step, the remaining steps do not need to be performed.

GM bulletins are intended for use by professional technicians, NOT a "do-it-yourselfer". They are written to inform these technicians of conditions that may occur on some vehicles, or to provide information that could assist in the proper service of a vehicle. Properly trained technicians have the equipment, tools, safety instructions, and know-how to do a job properly and safely. If a condition is described, DO NOT assume that the bulletin applies to your vehicle, or that your vehicle will have that condition. See your GM dealer for information on whether your vehicle may benefit

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